

"The health care law has rightly earned a great deal of criticism. I voted against the 2,300-page bill in March, and just four months later, we are still only beginning to understand the ramifications of this new law on American families and businesses.

States, too, are challenging the constitutionality of a law which requires their citizens to purchase an insurance product. An interesting line of defense has emerged from the Obama Administration: the federal health care law is constitutional... because it is a tax.

Congressional champions of the bill and White House spokespersons have long resisted the "tax" label, famously rejecting the criticism that the health care law is a tax, but in the light of day they are now prepared to defend the law as a tax and embrace it.

Americans who visit tanning salons are already paying a ten percent tanning tax under the health care law. A new tax, to be sure, that takes money directly out of consumers' pockets and the small businesses where they would otherwise spend that money.

But then consider that health care taxes are responsible for Caterpillar, one of America's largest manufacturing companies, taking a \$100 million hit to their earnings. The new tax on Caterpillar is the result of a behavior the health law ought to be supportive of: the company must pay the additional income taxes because it receives subsidies for providing prescription drugs to the company's retirees and their spouses.

And the health law sets the precedent of taxing Americans on their employer-provided health insurance benefits. Although the tax, which starts in 2019, would affect only high-value benefits, every American will see the value of their employer-provided insurance reported on their annual W-2 form. These benefits are an important part of the compensation for most full-time working Americans, and the opportunity to tax them is dangerous for working Americans as well as their employers.

Finally, the health care law imposes a "Medicare Tax" on combined earned and unearned income of more than \$200,000 that can include profits on the sale of a home, business or farm. For families that must handle an estate after the death of a family member or sell their small business in order to retire, the 3.6 percent tax will likely be an unexpected - and unwelcome - surprise.

In total, the new law raises half a trillion dollars in new taxes over the next ten years.

Then there are all the hidden taxes - higher costs to small businesses for complying with new complicated tax requirements, higher costs for prescription drugs to absorb the new fees drug manufacturers will pass on to consumers, and higher costs to cover more of the surtaxes on medical device manufacturers and health insurance providers. These hidden taxes add \$100 billion more to the burden on Americans who rely on our health care system.

Make no mistake, the health care law is a tax law. As we learn more and more about this

legislation, we find more and more reasons why we ought to repeal the law and start over again with cost-conscious, patient-focused, market-based health care solutions."